Centre for Competition Policy and Regulation (CCPR)

Research Assessment Exercise 2020

Two Impact Cases submitted by Department of Economics were rated 100% at 4* (50%) or 3* (50%) at the results of Research Assessment Exercise 2020 announced by the University Grants Committee (UGC) on 24 May 2021. One of the exemplary impact cases is shown as below.

Remark: 4* - outstanding impacts in terms of their reach and significance
3* - considerable impacts in terms of their reach and significance
2* - some impacts in terms of their reach and significance
1* - limited impacts in terms of their reach and significance

"Promoting competition policy development and effective enforcement of competition laws in Hong Kong and Mainland China"

Research Team:

Prof. Ping LIN, Prof. Tianle ZHANG, Prof. WONG Chi-leung, Adam and Dr. Yanchen WANG

In 1998 the Unit established itself as a leading research centre in competition policy in Hong Kong. Since then it has produced numerous research outputs that have influenced competition policy development both in terms of policy debate and design. This was prior to the enactment of Hong Kong's 2012 Competition Ordinance and after the Ordinance took effect in 2015. The Unit's research has also generated direct impacts on competition law enforcement in China by:

-Drafting various important regulations for the enforcement of China's 2018 Anti-Monopoly Law (AML);

-Drafting the merger control regulations in China, which have been used by the competition agency to assess over 3000 merger notification cases since 2018;

-Directly assisting the competition law enforcement agency in high-profile cases;

-Introducing, via book translation and case analysis, international best practices and up-to-date economic reasoning to China.

Competition developments in Hong Kong and China have benefited both businesses and consumers by maintaining a "level-playing field" and consequently promoting economic efficiency. The research has also impacted competition enforcement agencies and the courts.

Research on competition policy started in 1998 by Prof. Ho L.S., who was later joined by Prof. Lin Ping (2000-present), Prof. Adam Wong (2015-present) and Prof. Zhang Tianle (2017-present). The Unit's research is a combined effort by Lingnan University's Department of Economics and its Centre for Competition Policy and Regulation & Centre for Public Policy Studies. The underpinning research is of two categories: (1) theoretical studies on firm competitive strategies and potential welfare effects and (2) policy research on competition policy design and implementation.

Theoretical Studies

Since 2000, Prof. Lin has conducted research on the strategic behaviour of firms in innovation, vertical spin-offs and vertical integration. This has provided insight into how antitrust authorities should assess such business strategies. His research on cross-border investments has direct implications for merger review policies in developing countries such as China.

Prof. Adam Wong's publication in the RAND Journal of Economics shows that the all-unit-discount, a new form of pricing strategy for dominant firms in certain industries (e.g., in the EU vs. Intel case in 2009 and the Tetra Pak Anti-Monopoly Case in China in 2016), can significantly foreclose competition from rivals and hurt consumers. This research provides the basis for the economic analysis of the Tetra Pak case in China in 2016.

Furthermore, among his publications in leading academic journals, Prof. Zhang's research on interpersonal bundling, published in 2014 in Management Science, has been recognized as the first academic research on group discount pricing policies by platform retailing companies.

Policy-Oriented Research

Prof. Lin has actively conducted research on competition policy developments in both Hong Kong and Mainland China using Lingnan University's first Public Policy Research grant from the RGC, which he received in 2008. This resulted in a comprehensive policy paper that gave concrete recommendations to the Hong Kong SAR government during its public consultation process before Hong Kong's Competition Ordinance was enacted in 2012.